

**BUSINESS ADVISORY COUNCIL
MEETING MINUTES**

Thursday, April 18, 2013
12:00 p.m.- 2:00 p.m.
Bakersfield, California

**CALIFORNIA HIGH-SPEED RAIL
Representatives:**

Thomas Fellenz, Council Chair

Diana Gomez, Regional Director, Central Valley

Robert Padilla, Small Business Advocate

Terry Marcellus, Project Management Team

Patricia Padilla, Small Business Team

Olivia Fonseca, Small Business Team

Lauren Padilla, Business Advisory Council Liaison

Eileen Ta, Small Business Team

**FEDERAL RAILROAD ADMINISTRATION
Representative:**

Calvin Gibson, Civil Rights Administrator

MEMBERS Present:

ABA: Johnathon Hou
ACEC: Arvin Chaudhary
AAAE: Eddy Lau
AAA/E: Linden Nishinaga
AICCC: Gretchen Cox
CAACC: Scott Leslie
CHCC: Ernie Gutierrez
ESDVOBN: Bill Ulmer
GFACC: Debbie Hunsaker
KMCA: Marvin Dean
LBA: Leonard Ortiz
NAACP: Betty Williams
NCA: Diana LaCome
SFAACC: Frederick Jordan
USPAACC: Clyde Wong

MEMBERS Absent:

CABCC: Aubry Stone
CSBA: Betty Jo Toccoli
NAMC: Ingrid Merriwether
LRRT: Paul Guerrero
WCOE: Lee Cunningham
WTS: Stacey Alliguie

ALTERNATES Present:

ABA: Esther Shaw
AAAE: Winifred Au
ACEC: Todd Goolkasian
AGC: Dave Jones
DVBA: Jim Robinson

GUESTS:

DGS: Angel Carrera
JETRO: Keita Sakurauka, Takaya Miyazaki
KSG: Jim Hunter
AMVETS: Don Zweifel
BandCTC: John Spaulding
Kern COG: Troy Hightower

CHSRA: Thea Selby
CA: Dave Cross
FLO: Jim Faulkner, Kathleen Faulkner
RAW & Sons: Richard A White
VSBR: Albert Prince
URS: Gene Talcott

I. WELCOME AND INTRODUCTIONS

Mr. Fellenz, Council Chair, commenced the BAC meeting by asking Council members to introduce themselves and identify their associated business trade organizations. BAC meeting commenced at 12:07 p.m.

II. APPROVAL OF FEBRUARY 21, 2013 MEETING MINUTES

In an effort to approve the meeting minutes from February 21, 2013, Mr. Fellenz solicited input from the Council. No revisions or comments to the meetings minutes were received:

Motion I

Motion to approve April 18, 2013 meeting minutes.

Raised by: Ms. Hunsaker

Seconded by: Mr. Dean

Status: Passed

III. ADMINISTRATIVE ITEMS

Mr. Fellenz reviewed spreadsheet of Members who have submitted their Reaffirmation Letter and those who have not with the Council (see attached) and encouraged Members who have not submitted their required letters to get them in.

IV. COMMITTEE UPDATES

Mr. Lau, Professional Services Committee Chair summarized the Professional Services Committee Meeting, as follows:

- Mr. Lau acknowledged the positive attendance and participation at the Professional Services Committee Meeting.
- Inquiries pertaining to the Disparity Study were addressed and brought to the attention of the Council.
- Construction Package 1; Design Build Contract
 - Tutor Perini team was the apparent best value with the lowest technical proposal.
 - Professional Services Committee addressed their concerns regarding the SB plan included in the aforementioned contract; requested to see the technical proposal, but acknowledged its unavailability until the contract is signed.
 - A recommendation that the CHSRA facilitate a meeting between the BAC and Tutor Perini was made and Mr. Ulmer said an Official Request form would be submitted.
- The status of supportive services contract and schedule was requested by the Committee as well as a report and update on utilization for SB, DBE, and DVBE for the duration of the project, the names of firms, and their contract agreement. The SB Program plan and 30/10/3 goal in the contract was addressed, as the Committee would like to make sure that Parsons Transportation Group and URS contract extensions includes the SB policy to ensure that 30% is in the agreement.
- Mr. Lau stated the desire for a Utilization Report including the KPMG contract was addressed.
- The Professional Services Committee addressed their desire for the Authority to issue to the BAC and the general public CHSRA project schedules, even if only in draft form. Schedules should capture relevant events and milestones and a status update on Construction Package 2, 3, and 4, to facilitate a better understanding of project milestones.

Council Chair, Tom Fellenz provided a status update on the Professional Services Committee requests submitted to date and a Matrix of submitted requests was shared and reviewed with the BAC.

Ms. LaCome, Construction Committee Representative presented goals, objectives, and requests of the Committee as follows:

- The Construction Committee’s prioritized goals were reviewed.
 - Prompt payment
 - Network/Teaming
 - Workforce Training
- Defined the Construction Committee’s plan for monitoring Committee effectiveness towards achieving goals.
 - Construction Committee plans to tie their goals to calendared timelines, to track their progress towards meeting the goals.
- Unofficial Requests:
 1. Requested that the BAC be awarded the opportunity to review and assess the Tutor Perini’s Small Business performance plan
 - Partnering plan
 - DRB (dispute resolution board)
 - A Full BAC meeting with Tutor Perini in order to discuss recommendations
 2. CHSRA presentation on insurance and bonding
 3. Current contract language
 - State Contract Code (2): 1) 10262.5; 2)
 - 49 CFR Part 26.29 (Prompt Payment)
 4. Mr. Dean recommended additional language
 - Mr. Dean recommended utilizing stronger language to defining a breach of contract. The Construction Committee unanimously decided not to pursue this recommendation.

Ms. Fonseca acknowledged the Design-builder signed an affidavit regarding the SB Performance Plan, program, goal and administrative sanctions.

Please note: Any requests for action require the completion and submittal of the Official Committee Request Form to the Committee Liaison for review and processing.

V. PROJECT UPDATE

Mr. Marcellus responded to the prior BAC dialog regarding the need for a project schedule and informed the BAC that a project schedule is being revised and as soon as the CHSRA has a clearer picture of the schedule they will share it with the BAC. Mr. Fellenz added that schedules are not firm, the nature of the industry is this way, and the CHSRA will continue to post schedules as soon as the information becomes available. Mr. Marcellus addressed key components of the project as follows:

- The four (4) Right of Way (ROW) contracts were awarded and ready to be signed. Land Surveying was split out from the initial ROW scope of work and is in the final review for advertisement via Bidsync (multiple contracts).
- The Best Value Contractor recommendation for CP1 is being prepared to be taken to the Board.
- The Project Construction Management contract is in the final stages for award recommendation (Wong/Harris).
 - Construction Package 2-3 will be combined. The RFQ is in the advanced draft state.
 - CHSRA invited the Design Build industry to participate in one-on-one meetings, met with prospective bidders and found there was a broader interest beyond the first five design builders.
 - CHSRA decided to combine Construction Package 2 and 3, but to leave 4 independent.
 - Construction Package 2/3 will have the same 30% SB requirements as in CP1.
 - RFQ for CP 2/3 is expected to be released in early summer.

Questions and concerns of the BAC were presented at this time and brought to the attention of the Council and the

Council Chair for response and feedback.

Mr. Dean raised concerns and hopes for the HSR project, discussion included topics such as unbundling and minority diversity.

In regards to Construction Package 2 and 3, Mr. Fellenz explained that work assignment is longer and there is less infrastructure. Mr. Fellenz explained that addendum 8 (posted November 2012); National Targeted Hiring Initiative targeted employment in geographical areas with higher unemployment rate and apprenticeship training. CHSRA determined that the five (5) proposed teams were going to use 100% union (this was not a choice made by the CHSRA); in an effort to not exclude non-union firms the CHSRA developed the Community Benefits Agreement to allow non-union workers the opportunity to participate and prosper from this project.

The Central Valley Regional Director, Ms. Diana Gomez, was introduced. Ms. Padilla discussed that the SB Performance Plan encourages the Design Builder to set-asides to meet the commitment to the SB Program and best practices speak to the SB elements and design-builders are recommended to embrace these requirements. Ms. Fonseca added that CHSRA embraced the set-aside opportunity and used such component on the disparity study which was let with the Small Business option.

VI. SMALL AND DISADVANTAGED BUSINESS ENTERPRISE PROGRAM UPDATE

Ms. P. Padilla and Ms. Fonseca presented the following Small Business updates:

- The Small Business team provided information on the SB Certification Workshops which are currently being held. In particular details were provided regarding the most recent certification workshop held in Merced, in which 80-90% of attendees walked out with a Small Business Certification. Upcoming certification workshop cities include Fresno, Santa Ana, and Oakland. Additional workshops in Bakersfield and Sacramento are being coordinated.
- Ms. Williams offered the Urban League as an organization to facilitate a SB certification workshop in Sacramento. Ms. Fonseca welcomed the opportunity to partner with the Urban League.
- Mr. Ortiz offered the Latin Business Association as an organization to facilitate a SB certification workshop in Los Angeles. Ms. Fonseca welcomed the opportunity to partner with the LBA.
- Mr. Dean offered the Kern Minority Contractors Association as an organization to facilitate a SB certification in Bakersfield. Ms. Fonseca indicated the CHSRA is finalizing a Certification Workshop in June with the California State University at Bakersfield.
- Ms. Fonseca reviewed the topics captured in The Monthly Newsletter and urged members to read the newsletter and share it with their constituents.
- The CHSRA has struck a strategic partnership with the Small Business Administration (SBA), signed by Robert Padilla and Elizabeth Echols, Regional Administrator, U.S. Small Business Administration. This partnership includes CHSRA and SBA working with one another, to provide the maximum and most efficient outreach and technical assistance.

VII. BUSINESS ADVISORY COUNCIL REQUESTS/ACTION ITEMS

Mr. Fellenz reviewed the BAC Official Request Form Matrix with the BAC and opened up the floor to request discussion:

- Mr. Jordan requested that the CHSRA consider reimbursement for the BAC members' hotel and travel to BAC meetings. The BAC Operating Guidelines address the CHSRA's position on reimbursements however Mr. Fellenz stated he would take this request into consideration.

Mr. Fellenz requested the BAC's assistance as individuals and collectively, for their ideas and solutions in providing more opportunities and utilization of Small Business firms. Mr. Fellenz reminds the BAC that all formal requests are to be submitted via BAC Official Request Form, to enable the Small Business team to address and process requests in the most efficient manner.

Please note: Any requests for action require the completion and submittal of the Official Request Form to the BAC Liaison for review and processing.

X. PUBLIC COMMENT

Mr. Fellenz opened the floor for adhoc discussion and public comment, to which a guest presented , as follows

- Mr. Troy Hightower, Kern County Council of Governments; very interested in bringing more CHSRA events to Bakersfield. He requested that the BAC members stay after the meeting to participate in the CSU Bakersfield event for the CHSRA.

Meeting adjourned at 2:20p.m.